



STATE OF WASHINGTON

BOARD FOR VOLUNTEER FIREFIGHTERS & RESERVE OFFICERS

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April 15, 2011

The 227th regular meeting of the Board for Volunteer Firefighters and Reserve Officers was convened at 9:00 A.M. in Suite #207 in the James R. Larson Forum Building by Chair Ken Boad, with Board Member Jay Hughes, Board Member Mark Watenpugh, Board Member Miland Walling, Board Member Martin Spani, Assistant Attorney General Kyle Crews, Actuarial Analyst Lisa Wan, Actuarial Analyst Michael Harbour, Tamara Donovan (Mason Co. FPD #13), Confidential Secretary Danice Ragland, and Executive Secretary Brigitte Smith present.

The Board reviewed the January 20, 2011 Regular Meeting Minutes. It was moved by Watenpugh, seconded by Spani, and carried that the minutes be approved.

FIRST HEARING OF THE PUBLIC

No public wanted to speak.

OLD BUSINESS

Lisa Wan and Michael Harbour, from the Actuary's Office, updated the Board on the progress of the Relief Valuation. They began by discussing pre-funding the relief system with the Board. They stated that pre-funding helps to smooth costs over time, so peaks and valleys aren't as noticeable. It would provide more stability for the system, and helps to take advantage of investment earnings. The Actuarial Assistants also described some different funding methods. Their recommendation was that the Board use an aggregate funding method, because there wouldn't be an unfunded liability. An aggregate funding method would take the present value of all the benefits, subtract the assets, and divide it by the present value of future service. Applied to our plan, \$2.629 million would shift to the relief portion of our act. This could significantly increase the cost of the reserve officer fees if the Board chose to fully prefund the relief, but it would not be necessary to prefund all at once. Lisa and Michael also talked to the Board about the allocation of assets. Since all of the funds for RCW 41.24 are in one account, it is important that the Actuary understand how the Board would like to try to "divide" the money between the relief funding and the pension funding. After much discussion, it was moved by Spani, seconded by Hughes, and carried, that the Board adopt the aggregate funding method for funding the relief. It was also moved by Watenpugh, seconded by Hughes, and carried that any funds received by the Board first be allocated to the pension system to fund it 100%. Any excess funds will be allocated to the relief portion of the fund.

Lisa Wan and Michael Harbour left the meeting at 9:45 am.

Chairman Boad called an executive session at 9:45 am, for half an hour, to discuss litigation with AAG Crews.

The Board recessed from 10:15 am through 10:20 am.

The Board reviewed legislation with possible BVFF impacts.

SB 5160 – This bill would increase the one-time LODD payment from \$152,000 to \$214,000. This bill did not make it out of committee.

SB 5365 – This bill would allow members to buy back pension payments prior to the first pension payment made into the system. While this bill did have a hearing in the Senate, it did not make it out of the Senate before cut off.

SB 5284 / HB 1374 – This bill would require state agencies to use private collections agencies to collect any outstanding debts owed to the agencies. This bill did not make it out of either house of origin before cut off.

HB 1723 - Administrative Volunteers / Expanding the Firefighter Definition – This bill would expand the definition of firefighter to include such members as PIO's, Chaplains, and Fire Investigators. This bill had a first reading, but never had a hearing. Members of the committee will continue to try to lobby the legislature for the passage of this bill.

Administrative Volunteers - This bill was not introduced. Because of the tough economy, it was difficult to find legislators to sponsor bills with any costs. Members of the committee will continue to try to find a sponsor for future legislative sessions.

HB 1136 - Creating volunteer firefighter special license plates – While this bill does not really impact the BVFF, it seemed noteworthy to mention that this bill did pass, so volunteer firefighters will soon be able to order special plates for their vehicles.

Budget - While the budget is far from settled, Secretary Smith shared the current budget proposals to the Board. So far, the Governor's Budget, the House Republican Budget, The House Chair Budget, and the Senate Budget all reflect the same allotment amounts for the BVFF. There are the expected cuts within the budget (furloughs, etc.), but no real surprising or damaging cuts. While any cuts are difficult for an agency as small as the BVFF, Secretary Smith is confident that the current cuts are manageable under the circumstances.

NEW BUSINESS

The Board discussed the increase of Regional Fire Authorities. A Regional Fire Authority (RFA) is the merger of two or more bordering fire departments into a special district created by a vote of the people within the proposed district. It is a municipal corporation with independent taxing authority. Since these RFA's are frequently merging all paid, part paid, and/or volunteer departments, there have been instances where it appears that the formation of an RFA has had negative impacts on the affected volunteer firefighters. Board Member Spani voiced his concern that departments may not be doing enough to ensure the jobs of the volunteers. The Board does continue to cover the volunteer and part paid members of RFA's, but there is not much that it can do in situations where the volunteer ranks appear to be diminishing in the RFA's. Secretary Smith says that she, too, has heard of some of the difficulties and will pass on the Board's concerns to the Washington State Firefighter's Association.

The Board reviewed a request to allow a 2009 pension payment for Seth Brothers, Eastside Fire and Rescue. The department recently found the original check in a file cabinet drawer. The check was dated October 18, 2009. Mr. Brothers was first reported as a volunteer firefighter on October 21, 2009. By Board policy, first pension payments can only be applied to the first year that they are received. State Law does not allow payments to be made up prior to the first year that they are paid in. As a result, the Board would normally not be able to accept the payment. However, Eastside Fire and Rescue has accepted responsibility for the error and contends that it was not Mr. Brothers' fault for the error, and he clearly paid the fee on time. It was moved by Watenpaugh, seconded by Spani, and carried that Firefighter Brothers be allowed to pay his 2009 pension payment. Statutory interest is to be billed to the department.

The Board reviewed a request to allow service credit for William Dennstaedt, Jr., Spokane Co. FPD #3, for January and February of 1978, and August through December of 1984. The Board reviewed the documentation provided and it was moved by Walling, seconded by Spani, and carried, that the documentation provided was sufficient to prove service for January of 1978, and September 1st through December 31st of 1984. Secretary Smith was directed to bill for the fees plus the statutory interest.

The Board reviewed a mutual request from Lawsandra Kramer and Pend Oreille Co. FPD #4 to manage Lawsandra's injury claim at the state board staff level, rather than the local board level. Secretary Smith explained some of the unique issues to the case. She stated that, while she was confident that the local board could fairly and competently manage the claim, it was mutually beneficial to the parties that the State Board staff manage the claim. Managing the claim would add a little extra work to the Claims Analyst, Julie Foreman, but Ms. Foreman stated that she was willing to manage the claim. Secretary Smith stated that she clearly explained to Firefighter Kramer that the drawback to having

the State Board staff manage the claim was that it would remove one step in the appeals process, since she would no longer be able to ask the staff to reconsider a local board decision. The Board asked AAG Crews if the Board would legally be able to manage the claim in that fashion. AAG Crews stated that they could, but he recommended that the Board have both parties sign a stipulated agreement. It was moved by Spani, seconded by Watenpaugh, and carried, that the State Board staff take over the management of Lawsandra Kramer's August 14, 2009 fire service injury due to the special circumstances in the case. Hughes opposed the motion. Both parties will be required to sign a stipulated agreement, as reviewed by AAG Crews prior to the staff's administration.

The Board discussed the issue of Reserve Officer pension buy backs. Secretary Smith informed the Board that she received a request from the City of Algona to allow one of their reserve officers to be granted the service time for time that he served with the department, but did not participate in the pension plan. While the officer and department understand that he cannot make up the missed pension payments, they would still like the credit for the time served. When service is granted for a volunteer firefighter, the department is charged for the missed relief fees, and the years are credited to the member's record. However, police departments present a different problem because they have an a la carte option. They can participate in the pension system, and can opt to not participate in the relief system. If they have not participated in the relief system, what fee can or should the Board charge to reserve officers wanting the credit for years served? After much discussion, it was moved by Hughes, seconded by Watenpaugh, and carried, that reserve officers be required to pay the following fees when being granted additional service credit:

- For departments that participate in both the pension and the relief, departments will be charged for any missed relief fees, plus 1% interest per month penalty.
- For departments that participate in only the pension, departments will be charged for the full, current actuarial cost of the service buy back.

The Board reviewed Pension Participation Exemptions submitted since the last meeting. It was moved by Walling, seconded by Hughes, and carried, that the following members be granted exemptions:

- Bob Leber, Chelan Co. FPD #9 for the period of 6/1/10 through 8/23/10
- Sheree Good, King Co. FPD #28 for the period of 5/20/10 through 8/11/10
- Fadre Moore, Cowlitz Co. FPD #5, for the period of 2/1/10 through 4/25/10
- Robert Karman, City of Steilacoom, for the period of 11/11/10 through 1/3/11

The Board reviewed the following interagency agreement entered into by Secretary Smith:

- Washington State Board for Community & Technical Colleges, aka Technology Solutions Group

The Board reviewed Secretary Smith's leave and pay records.

The Board reviewed and approved (Walling moved, Hughes seconded) the administrative expenditure vouchers numbered (2314 through 2355) and various travel vouchers.

There was a motion by Hughes, seconded by Walling, and carried that the retirement pensions and lump-sum settlements listed below be approved effective on the listed dates (Walling abstained from the vote on Lawrence Goodnight and Helen T. Mains because of potential conflicts.):

		<u>Effective Date</u>	<u>Amount</u>
Anderson, Robert R.	Grant #7	1/22/11	73.50
Arlath, Roger L. 64	Stevens #1	12/12/10 J/S	134.72 @ age
Aylward, Bert R.	Waitsburg	1/10/11 J/S	155.22
Baireuther, Chris	San Juan #3	12/25/10	3,587.42 Lump
Baireuther, Dawn	San Juan #3	11/17/10	3,847.36 Lump
Barnes, Gerald	Skamania #1	12/16/09	3,520.62 Lump
Bennett, Lawrence	Cowlitz #5	12/16/10	4,360.86 Lump
Berg, Barbara	Snohomish #4	5/27/11	187.50

Bishop, Ronald H. 62	Whatcom #1	3/19/11 J/S	190.38 @ age
Blum, Gregory A. 63	Cle Elum	1/01/11	252.00 @ age
Browning, Lawrence	Klickitat #7	1/11/11	300.00
Browning, Roy	Lewis #12	9/27/10 J/S	161.66
Camp, Johnnnny M. 62	Lewis #1	1/05/11 J/S	191.75 @ age
Christensen, Peter S. 60	San Juan #5	4/23/11	168.00 @ age
Coffman, Aleda (Scott)	East County	2/27/11 SURV	164.99
Cook, Kenneth	Okanogan	8/06/09	5,584.30 Lump
Cottrell, Lee P.	Snohomish #14	10/14/09	2,838.37 Lump
Courneya, Dan	Okanogan #4	2/22/09	3,080.55 Lump
Curits, Jack L.	Spokane #3	2/19/09 J/S	51.72
Dawson, Michael J.	Snohomish #1	3/11/11	210.00
Devin, Kathleen	Thurston #4	1/01/10	195.00
Dickerson, Joseph T.	Yakima #14	10/19/10	5,053.46 Lump
Donaldson, David	Toppenish	3/12/10	230.00
Duncan, Tamara (Brian)	Central Kitsap	10/18/10 SURV	1,038.74 Lump
Egger, Regge	Chelan #9	2/22/11	3,601.54 Lump
Elliott, Rita 62	San Juan #4	1/13/11	148.20 @ age
Ens, Roger E.	Pend Oreille #8	1/31/11	2,792.66 Lump
Evans, Everett D.	Thurston #12	4/01/11 J/S	248.70
Farden, John W.	King #2	9/28/09	4,180.74 Lump
Fassler, James P.	Pierce #16	6/05/11	4,090.89 Lump
Fernandez, Dennis	Clallam #3	4/17/11	300.00
Firpo, Leonard E.	Oroville EMSD	1/01/11	187.50
Frank, Richard A.	Skagit #10	1/01/11	300.00
Fulton, Bill	Central Kitsap	10/29/10	5,586.03 Lump
Gomes, Gary	King #17	2/15/10	210.00
Goodnight, Lawrence C.	Klickitat #2	5/16/09	300.00
Grimes, Robert L.	Spokane #3	1/01/11	300.00
Hamlin, Dale	Darrington	3/04/11	300.00
Hedman, Janice	Mason #13	3/24/11	3,847.36 Lump
Henneman, Karen L.	Central Kitsap	3/01/11	300.00
Henson, Stephen A.	Lewis #5	2/26/11 J/S	162.96
Hornsby, John J. 63	Oak Harbor	2/15/11 J/S	211.93 @ age
Hudson, Charlie D.	Whatcom #13	4/02/11	300.00
Huffman, Terry	Spokane #5	5/01/11	217.50
Johnson, William R. 62	Mason #12	4/22/11	228.00 @ age
Johnston, Donald	Whatcom #4	4/19/09	3,960.70 Lump
Kashuba, Timothy	Central Kitsap	3/01/11 J/S	164.60
King, Gordon	Yakima #7	2/01/11 J/S	248.70
Kistler, Richard W. 62	Thurston #7	3/11/11	228.00 @ age
Klettke, Gerald R.	Ritzville	7/29/09 J/S	234.00
Knowles, Robert	Chelan #9	12/1/10	3,128.33 Lump
Kvamme, Nancy (Daniel)	Spokane #10	5/07/08 SURV	3,000.33 Lump
LaRue, Frederick J.	Skamania #4	5/21/09	2,420.43 Lump
Laugen, Linda	Douglas #2	6/27/10	6,423.94 Lump
Ledbetter, David 63	Central Kitsap	9/26/10 J/S	211.93 @ age

Louderback, Larry	Pierce #11	2/10/10	2,921.91 Lump
Mains, Helen T.	Klickitat #2	2/09/11	4,131.35 Lump
McCann, Donald G.	Maple Valley	5/28/09	2,640.47 Lump
McMoran, Donald	Skagit #2	2/20/10	70.00
Mestemacher, Frank T.	Island #3	4/01/10	70.00
Miller, David B.	Snohomish #15	5/28/09	1,320.23 Lump
Miller, Terrence L.	Electric City	4/05/11 J/S	228.80 @ age
64			
Mirante, Leslie A.	Thurston #14	11/19/08	1,596.86 Lump
Mitchell, Thomas H.	Clallam #2	3/28/11	159.60 @ age
62			
Moore, James	Grant #7	1/01/11 J/S	165.17
Morgan, Eric L.	Adams #5	3/29/11	165.00
Mull, Dennis	Ferry/Okanogan #13	7/11/11	5,865.34 Lump
Nichols, Larry	Skamania #5	3/04/09	2,200.39 Lump
Nordmark, Richard L.	Kitsap #7	1/01/11	200.00
Oakes, Lorraine S.	Clallam #2	2/01/11	187.50
Olson, Clinton C.	Woodinville	2/03/09	2,420.43 Lump
Osborn, Bruce	Carbonado	1/19/11	6,144.64 Lump
Robinson, Jerry	Riverside	12/28/10	4,331.53 Lump
Salzer, David	Redmond	1/12/10	3,850.25 Lump
Schierberg, Thomas J.	Thurston #6	4/06/11	63.84 @ age
62			
Schuurmans, Charles B.	Clark Co. Sheriff	2/10/11	180.00 @ age
60			
Skoglund, Perry	Franklin #1	3/05/11	210.00 @ age
63			
Smith, Richard D.	Grays Harbor #8	12/30/10	3,850.25 Lump
Snell, Mary E.	Douglas #5	7/01/08	228.00 @ age
62			
Stacy, Lucian E.	Whatcom #7	2/13/11	63.00
Stanton, John P.	Sunnyside	5/10/11 J/S	87.40 @ age
62			
Stark, II, Howard	Woodland	4/23/09	3,520.62 Lump
Vernon, Jean C.	Okanogan #11	3/15/11	240.00
Vernon, Jim	Okanogan #11	3/15/11	144.00 @ age
60			
Voelker, Vincent S.	Latah	1/31/09	3,080.55 Lump
Walling, Danny	Clark #10	10/12/10	2,921.91 Lump
Warren, Buddy R.	Pacific #3	8/19/10 J/S	186.50 @ age
62			
Williams, Nancy (Kenneth)	Lewis #5	2/03/11 SURV	136.43
Witham, Donald E.	Cathlamet	1/01/10	195.00
Wood, Jay L.	Grant #3	1/01/11	270.00

GOOD OF THE ORDER

Secretary Smith informed the Board that Claims Analyst Julie Foreman would be going on FLSA leave for about a month and a half starting in June in anticipation of the birth of her second child, reportedly a boy. In addition, Confidential Secretary Danice Ragland just successfully completed her AA Degree in Business at South Puget Sound Community College.

Member Walling shared that his department was in the process of building a new station.

Member Spani said that he recently enjoyed a visit to Brinnon Fire, and he and his wife are celebrating their 50th wedding anniversary.

Chair Boad announced his decision to retire from the Board once his term ends in a few months.

SECOND HEARING OF THE PUBLIC

Tamara Donavon passed on greetings and well wishes from her chief, Stan Loertscher. She also said she enjoyed attending the meeting and was looking forward to being a regular attendee.

There was a motion by Hughes, seconded by Watenpaugh, and carried that the meeting be adjourned at 12:00 p.m.

A handwritten signature in black ink, appearing to read "Brigette K. Smith", is written over a horizontal line.

Brigette K. Smith, Executive Secretary